

MARK B. HANSON, ESQ.
Second Floor, Macaranas Building
Beach Road, Garapan
PMB 738 P.O. Box 10,000
Saipan, Mariana Islands 96950
Telephone: (670) 233-8600
Facsimile: (670) 233-5262

Attorney for Plaintiffs

IN THE UNITED STATES DISTRICT COURT
FOR THE
NORTHERN MARIANA ISLANDS

LI YING HUA, LI ZHENG ZHE and XU JING JI,) CASE NO. CV 05-0019

Plaintiffs,)

vs.)

JUNG JIN CORPORATION, a CNMI corporation,)
ASIA ENTERPRISES, INC., a CNMI corporation,)
PARK HWA SUN and KIM HANG KWON,)

Defendants.)

DECLARATION OF
MARK B. HANSON

Date:
Time:
Judge: Hon. Alex R. Munson, Chief Judge

I, Mark B. Hanson, hereby declare as follows:

1. I am competent to testify, and if called to testify, I would do so in accord herewith.
2. I am the attorney for Plaintiffs in the above-entitled matter.
3. On June 23, 2005, Plaintiffs filed their initial Verified Complaint against the defendants in this matter.

4. After initial discovery efforts, Plaintiffs began discussing with Defendants' attorney the depositions of all the defendants, including Park Hwa Sun who's deposition was scheduled for January 27, 2006.

5. On January 1, 2006 Defendants effected the transfer of their operating businesses to KSK Corp. See Excerpt from Deposition of Kim Ki Sung at page 35, lines 14 to 23; Exhibits D through I.

1 6. Shortly thereafter, Defendants entered into a bogus mortgage and bogus promissory
2 notes which placed liens on their vehicles and their Susupe land and residence in favor of Kim Pil Sun
3 Kitami who's deposition was later taken and it was determined that no documentary evidence exists
4 to establish that any loans were actually made to Defendants by Kim Pil Sun Kitami. *See, e.g.,*
5 Transcript of Deposition of Kim Pil Sun Kitami on file with the Court.

6 7. On January 24, 2006, the day set for the deposition of defendant Jung Jin Corporation,
7 ("Park's corporation" — according to defendant Kim Hang Kwon), Plaintiffs learned from defendant
8 Kim and his attorney, Stephen J. Nutting, that Park had departed the Commonwealth one or two
9 days prior for South Korea with no plans of returning to Saipan. *See* Excerpt from Deposition of Kim
10 Hang Kwon, page 8, lines 15 to 18; Declaration of Stephen J. Nutting in Support of Motion to
11 Withdraw, ¶ 3.

12 8. On January 27, 2006, Park failed to appear at her own, duly noticed deposition though
13 defendant Kim did appear for defendant Asia Enterprises, Inc.'s deposition and his own depositions.

14 9. On May 18, 2006, having obtained leave of court, Plaintiffs filed a First Amended
15 Verified Complaint naming two successors — Kim Ki Sung and KSK Corporation — to the liability
16 of the four original defendants.

17 10. A subsequent motion by the two new defendants led to the Court's dismissal, without
18 prejudice, of Plaintiffs' claims of FLSA successor liability against those defendants with the Court
19 apparently deciding that the claims were premature. *See* June 20, 2006 Order Dismissing Complaint,
20 Without Prejudice, as to Defendants Kim Ki Sung and KSK Corporation (as clarified by a June 21,
21 2006 Order).

22 11. On August 24, 2006, judgment was entered by this Court for Plaintiffs in the above-
23 captioned case and against all of the above-named Defendants, jointly and severally, in the amount
24 of \$209,798.55, plus post-judgment interest at the applicable rate.

25 12. The time to move to alter or amend the judgment and the time to appeal the
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1 judgment have expired and the judgment is final.

2 13. The judgment, in total, remains unsatisfied.

3 14. With interest to the date of the filing of this Application, the total outstanding balance
4 of the amount owed by Defendants, jointly and severally, to Plaintiffs is \$212,583.00, plus
5 subsequently accrued interest and the costs of collection (the "Judgment Amount").

6 15. After the final judgment against the current defendants in this matter, I hired a private
7 investigator in attempts to ascertain information on the whereabouts of defendants' assets in the
8 Commonwealth including the existence of any "hidden" interests defendants, or any of them, may
9 have in other existing and newly formed Commonwealth businesses, partnerships and corporations.

10 16. Thereafter, on November 9, 2006, Plaintiffs' filed, *ex parte*, their first application for
11 a post-judgment writ of execution under Commonwealth law attempting to collect the Judgment
12 Amount hoping that Mr. Kim, the only individual defendant remaining the in the Commonwealth,
13 would not hide or dispose of his assets and flee the Commonwealth before the assets could be seized
14 by the United States Marshall.

15 17. On November 14, 2006, the Court denied Plaintiffs' writ of execution because, among
16 other reason, it believed the motion to be premature. *See* Order Denying Without Prejudice
17 Plaintiffs' Motion for Writ of Execution.

18 18. The same day, as I had already planned, I issued a subpoena for the deposition of
19 defendant Kim Hang Kwon, among several other subpoenas directed at various Commonwealth
20 banks and government agencies.

21 19. The subpoena set Kim Hang Kwon's deposition for November 22, 2006 and it was
22 personally served on Kim Hang Kwon the following day, November 15, 2006, at his Susupe residence
23 by process server Rainaldo Agulto. *See* Return of Service e-filed November 17, 2006.

24 20. On about November 19, 2006, three days before the date scheduled for his deposition,
25 without contacting me to discuss his going off-island or requesting to reschedule the deposition,
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1 defendant Kim Hang Kwon departed the Commonwealth for South Korea.

2 21. It is also my information that Kim Hang Kwon does not appear to have plans to return
3 to the Commonwealth.

4 22. Kim and Park have apparently sold and fraudulently transferred many of their assets
5 and they have arranged for other major assets, including their real property and vehicles to be
6 foreclosed on through bogus liens given to their friends.

7 23. Now, with all of the individual defendants/corporate principals either gone from the
8 Commonwealth or dismissed, without prejudice, from the case, Plaintiffs' only ability to collect on
9 any of their judgment through assets left by the Park Hwa Sun, Kim Hang Kwon, Jung Jin
10 Corporation and Asia Enterprises, Inc. in the Commonwealth is by a duly noticed hearing or hearings
11 on an order or orders in aid of judgment, which will necessarily include a writ or writs of execution
12 in light of the fact that Defendants are no longer in the Commonwealth to respond to questioning
13 as to their assets and/or to comply with turn over orders.

14 24. Pursuant to responses to the subpoenas issued this month, I have learned that Jung
15 Jin Corporation had \$18.87 in its bank account with the Bank of Hawaii as of October 31, 2006 with
16 the last major withdrawal by check to defendant Kim Hang Kwon signed by defendant Park Hwa Sun
17 on April 7, 2006. Jung Jin does not appear to have any other bank accounts in the Commonwealth.

18 25. I have also learned through subpoenas that Asia Enterprises, Inc. had \$224.28 in its
19 bank account with the Bank of Hawaii as of October 31, 2006, with no deposits to, and negligible
20 withdrawals from, the account in the year 2006. Asia Enterprises, Inc. does not appear to have any
21 other bank accounts in the Commonwealth.

22 26. Neither defendant Park Hwa Sun nor Kim Hang Kwon appear to have any bank
23 accounts in the Commonwealth.
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1 I swear under penalty of perjury that the forgoing is true and correct to the best of my
2 knowledge and belief and that this Declaration was executed this 28th day of November, 2006 in
3 Saipan, Commonwealth of the Northern Mariana Islands.

4
5 /s/ Mark B. Hanson

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 MARK B. HANSON

7 Second Floor, Macaranas Building
8 Beach Road, Garapan
9 PMB 738 P.O. Box 10,000
10 Saipan, Mariana Islands 96950
11 Telephone: (670) 233-8600
12 Facsimile: (670) 233-5262

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27 Attorney for Plaintiffs